

community development organizations in the completing of community betterment programs, a list of which are found in Section 3, such things as employment training, human services, medical services, and recreation facilities, crime prevention, vocational skills, counseling, emergency services and the like. Oftentimes in the fund raising by community betterment organizations they will approach a local business to assist in the funding of a project. While the company can receive a tax credit for a charitable contribution, they are not in a position to receive a tax credit for a community betterment contribution. This bill outlines the procedure by which such a tax credit could be given. The proposals need to be submitted to the local political subdivisions to see that they are consistent with the local community development plan and the comprehensive plan. They must be signed off, if you will, by the city council. They must go to the Department of Economic Development who must then say that they are within the terms of the law. They must then receive a certificate from the tax commissioner authorizing this tax credit, and then, once the tax credit is given, the money can change hands. It can go to the neighborhood organization, or the rural redevelopment organization, and can be used for the funding of a project. The amount of money to be refunded is 40 percent of the tax liability for that money. In other words, if there was to be a \$10,000 contribution by a company, \$4,000 of income tax credit could be given for that amount of money. The power to set rules and regulations are given to the Department of Economic Development, a power that they are willing to undertake. Representatives from a number of community organizations and community development firms around the state have indicated to me their support of the measure. I would move for its adoption and advancement.

PRESIDENT: Senator Nichol, do you wish to speak on this?

SPEAKER NICHOL: Mr. President, yes, just a question of Senator Landis. Does this have to be cash, or can it be in kind or must it be cash?

SENATOR LANDIS: It must either be cash or materiel. It is not for technical expertise, in other words, goods of value.